



Important changes to the Banks County flood hazard maps are underway. As floodplain boundaries change, your clients will likely turn to you to help them with decisions about protecting their property and other assets. The changes may also affect your own business, so be sure to stay informed.

Banks County Flood Maps Are Changing

In Summer 2009, the Georgia Environmental Protection Division, under the Department of Natural Resources, and the Federal Emergency Management Agency (FEMA) will be releasing new preliminary flood hazard maps, known as Digital Flood Insurance Rate Maps (DFIRMs), for all of Banks County. The new DFIRMs will show the extent to which areas of the county are currently at risk for flooding.

The remapping effort—part of FEMA’s nationwide flood map modernization effort—was necessary because the flood hazard and risk information shown on the current flood maps is outdated. The maps now in force were developed over ten years ago. Since then, the drainage patterns have changed, new land development has occurred, and mapping and modeling technology has significantly improved. These new flood maps will provide real estate professionals and their clients with up-to-date, reliable, Internet-accessible information about Banks County’s flood risk on a property-by-property basis.



Understanding the Effects

While the DFIRMs may not become effective for another several months or more, it is important for real estate professionals to understand the changes in the new maps to properly communicate to their client a property’s flood risk and any implications to the federal flood insurance requirements.

Properties Already Mapped in a High-Risk Flood Zone

Home and business owners should disclose whether a property is or will be mapped into a high-risk flood zone (known as a Special Flood Hazard Area [SFHA] and shown on the flood maps with letters beginning with “A” or “V”) when selling their property. Buildings in these areas are required to carry flood insurance for loans taken through federally regulated or insured lenders. To determine a property’s existing flood risk, the real estate professional can locate the property on the Banks County current effective FIRM. Current effective flood maps can be viewed on-line at FEMA’s Map Service Center by visiting <http://msc.fema.gov>.

Properties Being Mapped into a High-Risk Flood Zone

It is crucial for both real estate professionals and property owners to know if the property is currently in a low- or moderate-risk area (shown on the flood maps as a “B”, “C”, or “X” zone) and will be mapped into a high-risk zone. As FEMA releases Banks County’s preliminary flood maps (DFIRMs) for public review, real estate professionals should review them to determine if there will be a change in their clients’ property flood risk and when the change will become effective. Knowing in advance if a property is being mapped into a high-risk flood zone will help avoid possible delays caused when flood insurance is suddenly required at closing. If the buyer is aware of these upcoming changes, they can take advantage of the National Flood Insurance

Program's (NFIP's) "grandfathering" insurance rule as a lower-cost flood insurance option. Transferring flood insurance policies from current homeowners to new owners at the time of purchase can also keep insurance costs down in some instances.

Properties Being Mapped out of a High-Risk Flood Zone

Some properties will be mapped out of a high-risk zone and into a moderate or low-risk zone (shown on the new maps as an "X" or shaded "X" zone). Although the federal regulation for the mandatory purchase of insurance may be lifted, it is at the lender's discretion to continue to require coverage. Property owners should be reminded that the risk of flooding is reduced—not eliminated—in these zones. Lower-cost flood insurance is available through the NFIP's Preferred Risk Policy. This impending change in zones could be a key selling point, so it is important for real estate professionals to stay informed about these changes.

MAPPING MILESTONES
Summer 2009 — Preliminary flood maps released
January 5 2010 — Start of 90-day Public Comment Period (for filing of appeals and protests)
January 5, 2009 — GA DNR and federal review begins
December 2010* — New flood maps take effect; new flood insurance requirements also take effect
Visit www.GeorgiaDFIRM.com to learn more about the mapping process and where and when meetings may be held
For General Information Call FEMA at 1-877-336-2267
Open Monday through Friday 8:00 AM through 6:30 PM.
<i>* Date subject to change pending completion of review process</i>

Stay Informed

Knowing when and where map changes are occurring allows real estate professionals to properly prepare explanations about the map changes and what insurance options are available to their clients. Real estate professionals should prepare for closings by staying in contact with local

officials as Banks County goes through the mapping process. They should proactively inform clients about their options based on the impending flood zone changes. Detailed explanations can be provided by their insurance agent.

Additional information can be obtained by periodically visiting the Banks County web site at <http://www.co.banks.ga.us>. The preliminary maps can be viewed at <http://www.GeorgiaDFIRM.com/status/banks/prelim.htm> when they are released.

To learn more about flood insurance, visit www.FloodSmart.gov.

FLOOD RISKS ARE CHANGING: KNOW THE INSURANCE OPTIONS
Some properties will be mapped into high-risk zones where flood insurance is required by most lenders. Flood insurance costs may increase when the map changes reflect this higher risk. The National Flood Insurance Program (NFIP) provides "grandfathering" rules as a potential lower cost option and it allows for transferring of a policy to a new owner. Real estate professionals should refer clients to an insurance agent for a full explanation of insurance options, such as grandfathering and the Preferred Risk Policy.
Other properties will be mapped into low- or moderate-risk zones where flood insurance is optional but recommended. While the risk may be reduced, it is not eliminated. About 25% of all flood claims occur in these zones. The NFIP provides for an easy conversion of an existing policy to a lower-cost Preferred Risk Policy.